

CLASSIFICATION **CONFIDENTIAL**CENTRAL INTELLIGENCE AGENCY
INFORMATION FROM
FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT

CD NO.

50X1-HUM

COUNTRY China

SUBJECT Economic - Trade

HOW PUBLISHED Daily newspapers

WHERE PUBLISHED Canton; Hong Kong

DATE PUBLISHED 17 - 27 Jun 1950

LANGUAGE Chinese

DATE OF INFORMATION 1950

DATE DIST. 29 Jul 1950

NO. OF PAGES 2

SUPPLEMENT TO REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT OF 1917, U. S. C., 51 AND 52, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

SOURCE Newspapers as indicated.

NORTHEAST-CHINA PROPER TRADE ALMOST TRIPLES;
CCP BANS CERTAIN COMMODITY EXPORTS

TRADE EXPANDS TREMENDOUSLY -- Canton Nan-fang Jih-pao, 27 Jun 50

Mukden, 25 June (Hsin-hua) -- Under the guidance of the Central People's government, trade between the Northeast and China proper has expanded tremendously. In comparing data compiled from the ports of Shan-hai-kuan, Ying-kuc, and An-tung, trade for the period of January through May 1950 increased 278 percent over the period of May through December 1949. During January through May 1950, 70.1 percent of the trade originated from national and state-owned enterprises, 2.6 percent from cooperatives, and 27.3 percent from private enterprises. Of this trade, 42 percent was from China proper to the Northeast while 58 percent was from the Northeast to China proper.

Of the commodities shipped from the Northeast to China proper during the period from January through May 1950, 31.9 percent consisted of such products as lumber, paper, industrial fuel oil, industrial chemicals, ammonium sulfate, electrical materials, various equipment, etc.; 27.8 percent was construction material such as scrap iron, iron rods, lime, tiles, etc.; 22.4 percent was basic staples; and, 17.9 percent included such commodities as fresh fruits, eggs, herbs, mushrooms, hides, and other secondary food products and local products. During the same period, commodities shipped from China proper to the Northeast included: textiles 35.8 percent, industrial chemical products 21.2, electrical equipment 15.6, farm equipment 6.5, miscellaneous products 15.1 and construction material 5.8 percent.

The flow of trade between China proper and the Northeast has distributed materials to places where they are most needed and has been a means of stabilizing commodity prices. Under the leadership of the Trade Ministry, items of trade will continue to be distributed to areas where they are needed.

HALTS TRADE IN CASINGS AND SULFUR -- Hong Kong Wen-hui Pao, 18 Jun 50

Peiping, 17 June (Hsin-hua) -- On 1 June 1950, the Ministry of Trade of the Central People's government directed that all exports of sheep intestines, used for

- 1 - **CONFIDENTIAL**

| CLASSIFICATION | | CONFIDENTIAL | | DISTRIBUTION | | | | | | | |
|----------------|-------------------------------------|--------------|-------------------------------------|--------------|--|--|--|--|--|--|--|
| STATE | <input checked="" type="checkbox"/> | NAVY | <input checked="" type="checkbox"/> | NSRB | | | | | | | |
| ARMY | <input checked="" type="checkbox"/> | AIR | <input checked="" type="checkbox"/> | FBI | | | | | | | |

CONFIDENTIAL

CONFIDENTIAL

50X1-HUM

casings, were to cease, and on 2 June prohibited further imports of rock and pulverized sulfur. This action was taken to safeguard domestic production and to conserve foreign exchange.

PROHIBITS IMPORT OF DYESTUFFS -- Hong Kong Wen-hui Pao, 18 Jun 50

Canton, 17 June -- On 17 June 1950, the South China Foreign Trade Bureau, Finance and Economics Committee and Customs Department jointly announced cessation of further imports into Chinese ports of sodium sulfide. Supplies of sulfide dyes now exceed the demand and the action was necessary to support the domestic dye industry.

CANTON PROHIBITS EXPORT OF WOOL -- Hong Kong Ta Kung Pao, 21 June 50

Canton, 20 June -- On 20 June 1950, the Foreign Trade Bureau of the South China district promulgated a directive prohibiting the export of sheep's wool, not including scrap wool.

On 19 June 1950, the bureau readjusted the prices of important export commodities as follows: duck feathers per metric ton were reduced from 58 to 53 Hong Kong dollars while live hogs were raised from 210 to 230 Hong Kong dollars.

POSTPONES CANTON IMPORT-EXPORT CONFERENCE -- Hong Kong Ta Kung Pao, 17 Jun 50

Canton, 16 June -- The South China preparatory conference for the All-China Import-Export Trade Conference formerly scheduled to be held in Canton on 17 June 1950 has been postponed because delegates from various places have not arrived for the opening. The conference is now scheduled to begin on 19 June and will continue for 6 days. The topics to be discussed include: (1) solution of import and export trade problems and the present difficulties; (2) organization of native products and industrial products for export according to present international markets and possibilities for expansion; (3) general opinion toward the various methods of control on foreign trade as determined by the Central government; (4) general opinion toward government enterprises and toward other agencies which are related to import and export trade.

GRAIN EXPORT CAUSES FLUCTUATION -- Hong Kong Kung-shang Jih-pao, 17 Jun 50

Shen-ch'uan, 16 June -- CCF troops stationed in such hsien bordering the ocean as Pao-an, Tung-kuan, Hui-yang, Chang-shan, etc., are taking advantage of their location to export grain for profit. Such activities have caused the grain market to fluctuate. Those in the CCF higher commands have demanded the discontinuation of such activities and have stated that henceforth the export of grain shall be placed under the unified control of the state trading agencies, but because of the great profit, the local military forces have not terminated such activities.

Four trucks which came into the Shen-ch'uan station off of the Pao-shen Highway at 1900 on 16 June 1950 were filled with grain and each of the trucks was guarded by 6 or 7 armed soldiers. When these trucks pulled in at the Lung-hua station the guards were requested to show their credentials and identification but the request was refused. Since the local inspectors were not able to force the issue, the soldiers drove on in their trucks.

- E N D -

- 2 -

CONFIDENTIAL

CONFIDENTIAL